

Legislative Issue Brief – Medicare Ambulance Fee Schedule



Catawba County Board of Commissioner's Legislative Goal

Support for permanent restoration of the ambulance fee schedule as stated in The Medicare Improvements for Patients and Providers Act (MIPPA) of 2008

Background

The MIPPA 2008 Legislation increased the Medicare Ambulance Fee Schedule by 2% for urban providers and 3% for rural providers. These temporary increases were effective for 18 months (dates of service: July 1, 2008 - December 31, 2009). With the expiration of these temporary increases, the 2010 Medicare Ambulance Fee Schedule will represent a decrease of 2-3% respectively.

Some of the Healthcare Reform bills (House Bill 3590 and Senate Bill 1796) contain language for an additional 12 month extension of these increases (January 2010 – December 2010). A conference session is being held to discuss a compromise to resolve the differences in the two bills. The American Ambulance Association is lobbying Congress to ensure that the ambulance relief language remains a part of the final bill. Currently, the House Bill has passed, but the Senate Bill has not moved.

The Ambulance Inflation Factor (AIF) for 2010 is zero (0%). The AIF is the annual rate of increase to the Medicare Ambulance Fee Schedule and is based on the Consumer Price Index (CPI). With the announcement of a zero percent increase for 2010, the ambulance fee schedule should have remained the same as 2009 allowable. Because the MIPPA 2008 Legislation has expired, the 2010 fee schedule will actually represent a decrease of 2-3%. This issue will result in a 2-3% reduction from current fiscal year revenue for ambulance providers when treating/transporting Medicare patients.

On March 23, 2010, President Obama signed into law the *Patient Protection and Affordable Care Act* (PPACA).

The PPACA extends the increases in the ambulance fee schedule amounts for covered ground ambulance transports which originated in rural areas by 3 percent and for covered ground ambulance transports which originated in urban areas by 2 percent retroactive to January 1, 2010, through December 31, 2010.

This represents a temporary increase for ambulance services. The County will still be working to make these increase permanent.

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